

HOUSE No. 1535

By Mr. Fagan of Taunton, petition of James H. Fagan relative to the hearing and notice requirements for the reorganization and redomestication of certain insurance companies. Financial Services.

The Commonwealth of Massachusetts

In the Year Two Thousand and Five.

AN ACT RELATIVE TO THE HEARING AND NOTICE REQUIREMENTS FOR REORGANIZATION AND REDOMESTICATION OF INSURANCE COMPANIES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 49A of Chapter 175 of the General Laws,
2 as appearing in the 2002 Official Edition, is hereby amended by
3 striking out the second paragraph, and inserting in place thereof
4 the following paragraphs:—

5 Any domestic insurer may, after a public hearing and approval
6 by the commissioner, transfer its domicile to any other state of the
7 United States in which it is admitted to transact the business of
8 insurance. Upon such transfer, said insurer shall cease to be a
9 domestic insurer and shall, if qualified, be admitted to the com-
10 monwealth as a foreign insurer. The commissioner shall not
11 approve a redomestication to another state of the United States
12 unless and until the applicant has been admitted to transact busi-
13 ness in the transfer state for a period of at least three months.

14 Any domestic insurer that receives approval by the commis-
15 sioner to redomesticate to another state shall be required to post a
16 bond with the commissioner. Such bond shall be in the amount of
17 twenty percent of posted loss reserves submitted for the last
18 annual filing submitted prior to the date of application to re-
19 domesticate. The bond shall remain in effect for one year after the
20 redomestication to another state has been approved.

21 All property and casualty insurers shall include with their
22 annual filings with the commissioner their most recent estimate of

23 losses as well as a listing of all hazardous waste sites, federal and
23 state, where the estimated loss exceeds one million dollars. Such
25 estimates shall remain confidential and shall not be made public
26 by the commissioner without the consent of the company.

1 SECTION 2. Subsection (d) of section 206B of said chapter
2 175, as so appearing, is hereby amended by inserting, in line 157,
3 after the word “statement” the following words:—, all reinsurers,
4 stockholders, policyholders, and to any other interested parties by
5 publication in at least three newspapers, one of which shall have
6 statewide circulation.